

Tennessee Ethics Commission
May 20, 2014
Minutes

The Tennessee Ethics Commission met on Tuesday, May 20, 2014 at 9:00 a.m. at the Bureau of Ethics and Campaign Finance office. Members present were: Keith Norman, Greg Hardeman, George Jaynes, Jim Stranch, Charles Traughber and Tammy White. Chairman Norman called the meeting to order.

January 8, 2014 Minutes

Ms. White made the motion to approve the January 8, 2014 minutes. Mr. Jaynes seconded and the motion passed 6-0.

Requests for Reconsideration

Rebecca Durham – 2012-031 and 2013-092

Melvin Carrier – 2009-020

James Randy Linville – 2011-031, 2012-044 and 2013-131

Ms. Durham submitted a written request for reconsideration of two assessments. Mr. Traughber made the motion to waive the 2012 \$25 assessment and the 2013 \$125 assessment. Mr. Jaynes seconded and the motion passed 5-0.

Mr. Carrier submitted a written request for reconsideration of a 2009 assessment of \$150. Mr. Jaynes made the motion to waive the assessment and Mr. Traughber seconded. The motion passed 6-0.

Mr. Linville appeared before the Commission, along with his attorney, Sharon Linville. Mr. Stranch made the motion to waive the 2011, 2012 and 2013 assessments of \$20,100. Mr. Traughber seconded and the motion passed 6-0.

Informal Civil Penalty Assessment – Local Candidates

Bill Moore, 2014-049

Mr. Moore submitted a statement explaining why he was one penalty day late filing the Statement of Interests. Mr. Hardeman made the motion to assess no civil penalty and Mr. Jaynes seconded. The motion passed 6-0.

Ronald Washington, 2014-069

Mr. Washington submitted a statement explaining why he was one penalty day late filing the Statement of Interests. Mr. Traughber made the motion to assess no civil penalty and Mr. Jaynes seconded. The motion passed 6-0.

Kevin Fisher, 2014-068

Mr. Stranch made the motion to assess a \$25 civil penalty for filing nine penalty days late. Ms. White seconded and the motion passed 6-0.

Informal Civil Penalty Assessment – Local Officeholders

Mr. Hardeman made the motion to assess no civil penalty on the following filers who were one penalty day late. Mr. Jaynes seconded and the motion passed 6-0.

Mac Bumpus, 2014-062

Todd Behan, 2014-010

Lee Bennett, 2014-011

Frank Bertram, 2014-012

Jeffrey Brown, 2014-013

Samuel Cogswell, 2014-014

Gary Dotson, 2014-015

Edward Grocott, 2014-016

Wayne H. Harris, 2014-017

Charles J. Hope, Jr., 2014-018

Eugene McFerren, 2014-019

Mansfield McMahan, 2014-020

Phil Morgan, Jr., - 2014-021

Jonathan Pettus, 2014-022

John Reynolds, 2014-023

Derrick C. Smith, 2014-024

Teri Steele, 2014-025

Tommy Turner, 2014-026

Larry Whaley, 2014-027

Robert W. King, 2014-046

Vaughn Graves, 2014-050

Hugh Kyle Johnson, 2014-051

Mark Bristol, 2014-065

Curtis Evans, 2014-066

Rebecca Iaquina, 2014-067

Mr. Stranch made the motion to assess no civil penalty on the following filers who were two to three penalty days late. Mr. Hardeman seconded and the motion passed 6-0.

Bethany Clem-Shockney, 2014-028

Sheryl Guinn, 2014-029

Tabitha Denney, 2014-030

John Houston, Jr., 2014-031

James Matoy, 2014-032

Larry Presswood, 2014-033

Harmon Garris, Jr., 2014-034

Christie Glover, 2014-035

Paula Sedgwick, 2014-036

Barry Taylor, 2014-037

Mr. Stranch made the motion to assess no civil penalty on the following filers who were four to seven penalty days late. Mr. Jaynes seconded and the motion passed 6-0.

Vivian Wilhoite, 2014-038

Raleigh L. Barger, 2014-052

Paul Hutcherson, 2014-080

Mark Cummings, 2014-039

Bobby Moten, 2014-040

Michael Warren, 2014-041

Warren G. Walker, 2014-042

Scott Hembree, 2014-043

Karen Morris, 2014-044

Mr. Stranch made the motion to assess a \$25 civil penalty on the following filers who were eight to fourteen penalty days late. Mr. Hardeman seconded and the motion passed 6-0.

Brian Hardin, 2014-077
Robert Culp, 2014-053
Keith Hudson, 2014-045
Chuck Barris, 2014-054

Denice Jackson, 2014-106
Brian Houston, 2014-107
Tim Dickey, 2014-108
William Bonjour, 2014-055

Ms. White made the motion to assess a \$50 civil penalty on the following filers who were seventeen to twenty-four penalty days late and who had not submitted a statement. Mr. Stranch seconded the motion and the motion passed 6-0.

Jonathan M. Schwartz, 2014-027
Josh Collins, 2014-056

Jon Faill, 2014-060
Mike Hinson, 2014-073

No civil penalties were assessed on the following filers who were sixteen to twenty three penalty days late and provided statements:

Opal Shaw, 2014-017 – Motion by Mr. Traughber, seconded by Ms. White. Passed 6-0.

Melissa McWright, 2014-057 – Motion by Mr. Hardeman, seconded by Mr. Jaynes. Passed 6-0.

Ken P. Hoover, 2014-058 – Motion by Ms. White, seconded by Mr. Traughber. Passed 6-0.

Paula Skelton, 2014-048 – Motion by Mr. Traughber, seconded by Ms. White. Passed 6-0.

David L. Barker, 2014-059 – Motion by Ms. White, seconded by Mr. Traughber. Passed 6-0.

Jerry Goddard, 2014-061 – Motion by Mr. Hardeman, seconded by Mr. Stranch. Passed 6-0.

Ms. White made the motion to assess a \$100 civil penalty against the following filers who were forty-three to fifty-eight penalty days late and who had not submitted a statement. Mr. Hardeman seconded the motion and the motion passed 6-0.

Bob Strunk, 2014-112
Troy Muncey, 2014-085
Joseph H. Evans, 2014-078
James Barker – 2014-109

No civil penalties were assessed on the following filers who were forty three to sixty three penalty days late and who submitted statements.

Charlotte Gaines, 2014-089 – Motion made by Mr. Stranch, seconded by Mr. Traughber. Passed 6-0.

Jennifer Wiggins, 2014-095 – Motion by Ms. White, seconded by Mr. Traughber. Passed 6-0.

David Rentschler, 2014-082 – Motion by Ms. White, seconded by Mr. Hardeman. Passed 6-0.

James Mack Warr, 2014-096 – Motion made by Ms. White, seconded by Mr. Jaynes. Passed 6-0.

Robert Bailey, 2014-097 – Motion made by Ms. White, seconded by Mr. Traughber. Passed 6-0.

Tammy Clifton, 2014-098 – Motion made by Mr. Traughber, seconded by Mr. Jaynes. Passed 6-0.

Rick Butler, 2014-091 – Motion made by Mr. Hardeman, seconded by Mr. Traughber. Passed 6-0.

Kirby Ogden, 2014-081 – Motion made by Ms. White, seconded by Mr. Traughber. Passed 6-0.

David George, 2014-087 - Motion made by Mr. Jaynes, seconded by Mr. Hardeman. Passed 6-0.

Bill Ledford, 2014-102 – Motion made by Mr. Traughber, seconded by Mr. Jaynes. Passed 6-0.

Mr. Hardeman made the motion to assess a \$500 civil penalty on the following Planning Commission members for failure to file. Ms. White seconded and the motion passed 6-0.

Joseph E. Sutton, 2014-092

Jerry Taylor, 2014-093

Ronnie Keener, 2014-104

Mr. Hardeman made the motion to assess a \$1000 civil penalty on the following officeholders for failure to file. Mr. Stranch seconded and the motion passed 6-0.

James W. Russell, 2014-103

Samantha J. Purcell, 2014-105

Larry Lawhon, 2014-110

Delinquent Payment of Professional Privilege Tax

T.C.A. § 67-4-1704 requires for suspension of a license for two or more nonpayments of the professional privilege tax to the Department of Revenue. The Commission was notified that Michael Warmesley was delinquent for four years in paying the tax.

Mr. Traughber recused himself from the discussion and voting. Mr. Stranch made the motion to suspend Mr. Warmesley's registration until the tax is paid. Mr. Hardeman seconded and the motion passed 5-0.

Informal Civil Penalty Assessment – Employers of Lobbyists

ASPCA – 2014-003

ASPCA submitted a statement explaining why two 2014 registrations were not timely filed. Mr. Stranch made the motion to not assess a civil penalty and Mr. Traughber seconded. The motion passed 6-0.

Colonial Pipeline – 2014-004

Chip Little appeared before the Commission on behalf of Colonial Pipeline. Mr. Little explained why the expenditure report was not timely filed. Mr. Stranch made the motion to not assess a civil penalty and Mr. Jaynes seconded. The motion passed 6-0.

Career Education Corporation – 2014-005

Ms. White made the motion to assess a \$225 civil penalty for failure to timely file the expenditure report. Mr. Jaynes seconded and the motion passed 6-0. Mr. Stranch made the motion to reconsider that assessment and instead assess \$150. Ms. White seconded and the motion passed 6-0.

Health Services Management Group – 2014-006

Ms. White made the motion to assess a \$750 civil penalty for failure to file the expenditure report. Mr. Jaynes seconded and the motion passed 6-0.

National Football League – 2014-007

Ms. White made the motion to assess a \$750 civil penalty for failure to file the expenditure report. Mr. Traughber seconded and the motion passed 6-0.

Mid-State Mobile Concrete – 2014-008

Mr. Stranch made the motion to assess a \$750 civil penalty for failure to timely file the expenditure report. Mr. Jaynes seconded and the motion passed 6-0. Mr. Hardeman made the motion to reconsider that assessment and instead assess a \$500 penalty because the report was filed. Ms. White seconded and the motion passed 6-0.

Tennessee Recovery & Monitoring – 2014-009

Ms. White made the motion to assess a \$750 civil penalty for failure to file the expenditure report. Mr. Jaynes seconded and the motion passed 6-0.

J2 Software Solutions – 2014-076

Mr. Hardeman made the motion to assess a civil penalty of \$50 for failure to timely pay the registration fee. Ms. White seconded and the motion passed 6-0.

Well Child, Inc. – 2014-075

Ms. White made the motion to assess a civil penalty of \$400 for late payment of two registration fees. Mr. Stranch seconded. Mr. Hardeman proposed an amendment to assess \$150 and, after discussion, withdrew the amendment. Mr. Hardeman then proposed an amendment to assess \$300 and Ms. White accepted and seconded the amendment. The motion passed 6-0.

2013 Lobbyist Audits

Jay Moeck, Audit Manager, presented the audit findings to the Commission members. Mr. Hardeman made the motion to accept the findings and Ms. White seconded. The motion passed 6-0.

Mr. Stranch made the motion to issue a show cause notice to Warren Broemel for failure to timely file registrations as a lobbyist for two of his employers (36 and 48 days late). Mr. Hardeman seconded and the motion passed 6-0.

Ms. Stranch made the motion to issue a show cause notice to Robert Hobart for failure to timely register as a lobbyist for his employer (110 days late). Ms. White seconded and the motion passed 6-0.

Mr. Stranch made the motion to issue a show cause notice to Bradley Stevens for failure to timely register as a lobbyist for his employer (36 days late). Ms. White seconded and the motion passed 6-0.

Mr. Hardeman made the motion to not issue show cause notices to Jill Stott (1 day late) and James Weaver (4 days late) for failure to timely register as a lobbyist for an employer.

After review of Appendix A (employer of lobbyist registrations), the following actions were taken.

Kidwell & Company (50 days late)

The Babcock and Wilcox Company (possibly 127 days late)

Mr. Hardeman made the motion to issue show cause notices because the registrations were filed late. Mr. Jaynes seconded and the motion passed 6-0.

Dish Network (20 days late)

Mr. Hardeman made the motion to not issue a show cause notice for late registration. Mr. Jaynes seconded and the motion passed 6-0.

Mountain States Health Alliance (21 days late)

American Legal Finance Association (15 days late)

Ms. White made the motion to not issue a show cause notice for late registration. Mr. Hardeman seconded and the motion passed 6-0.

TN Athletic Trainers Society (2 days late)

Mr. Stranch made the motion to not issue a show cause notice for late registration. Ms. White seconded and the motion passed 6-0.

Kut Kwick Corporation (6 days late)

Mr. Jaynes made the motion to not issue a show cause notice for late registration. Mr. Hardeman seconded and the motion passed 6-0.

Advisory Opinion 14-01

Donald L. Scholes, attorney for the TN Association of Utility Districts, requested an advisory opinion from the Commission on the matter of whether utility district commissioners are required to file a Statement of Interests.

Mr. Stranch recused himself due to the fact that Mr. Scholes is his law partner. Ms. White made the motion to:

- 1) approve the draft of Advisory Opinion 14-01, which stated that utility district commissioners are not required to file a Statement of Interests. Mr. Hardeman seconded and the motion passed 6-0; and
- 2) send a letter to the speakers of the senate and house and to the governor suggesting that, for transparency purposes, the commissioners be required to file as planning commission members are required.

Mr. Hardeman seconded. Mr. Traugher made the motion to suspend sending the letter and instead asking a representative from the Comptroller's Office to provide information to the Commission regarding oversight of conflict of interest of the utility districts. Ms. White seconded and the motion passed 6-0.

Other Business

The Commission approved the Director's recommendation for performance-based salary increases.

There being no other business before the Commission, the meeting adjourned.